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FOR IMMEDIATE RELEASE

November 1, 2007

Rep. Slaughter Demands Oversight after Indictment of Body Armor CEO

WASHINGTON, DC - Rep. Louise M. Slaughter (NY-28), Chairwoman of the House Rules Committee, today responded to the news that David H. Brooks, founder and former CEO of Point Blank Solutions, a major body armor manufacturer, was indicted on a variety of financial impropriety charges.

"The tragedy of this all too familiar story of CEO greed and crime is that it was committed: at the expense: of our men and women in uniform whose lives depend on their body armor," said Rep. Slaughter.

"This is not just criminal; it is abhorrent. \(\begin{align*} \text{U} \\ \end{align*} \text{ We need real oversight of the billions of dollars we've spent on this war , including on the reckless \(\begin{align*} \text{contractors} \end{align*} \)

doing business in Iraq. Failure to fully account for this war will only result our soldiers continu

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to pay the ultimate price,"

continued Slaughter.

Last week, the United States Attorney's Office of the Eastern District of New York issued indictments for DHB Industries/Point Blank Solutions, Inc. founder and former CEO, David H. Brooks, and former Chief Operating Officer, Sandra Hatfield. Charges included insider trading, fraud, obstruction of justice, and tax evasion.

BACKGROUND

Point Blank is a leading manufacturer of body armor for the United States Military and has produced more than 1 million sets of Interceptor body armor. While to date only two major publications, <u>Military.com</u> and the <u>Wall Street Journal</u>, have written about this egregious violation of public trust and scandal, reporter Sarah Anderson from

Alternet

has been closely following the story since

July

and wrote last week (

10/26

) about the indictment:

[Brooks] could spend up to 70 years in prison if convicted of all charges. The 71-page indictment alleges that while Brooks was chief executive of DHB Industries, a leading provider of military body armor, he pocketed more than \$185 million from insider trading, fraud and tax evasion. He is also charged with using millions of dollars in DHB funds for personal expenses.

In January 2006, the *New York Times* reported on an internal Pentagon memo revealing that 80 percent of marines killed in Iraq due to upper body wounds could have survived if they had proper body armor. In addition, it was also reported that our troops were sent to Iraq without enough bulletproof vests necessary to safeguard their lives.

Consequently, Representative Slaughter asked the DoD Inspector General to review the procurement history for body and vehicle armor and determine if DoD officials followed proper contracting policies.

In July 2007, Congresswoman Slaughter's office received the first report from the DoD Inspector General detailing the procurement history for Armored Vehicles

. The Inspector General is expected to complete the second report focusing on the procurement of body armor by the US Military shortly, although it has been delayed.

Rep. Slaughter's request to the Acting Inspector General can be found here.

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